



Commonwealth
of Massachusetts

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Office of Campaign and Political Finance
One Ashburton Place, Room 411
Boston, MA 02108

Advisory Opinion

December 21, 1999
AO-99-20

Robert J. Alconada
Manager, State Governmental Affairs & Grassroots Advocacy
Massachusetts Dental Society
83 Speen Street
Natick, MA 01760-4144

Re: Massachusetts Dentists Interested in Legislation (CPF #80096)
Massachusetts Dental People's Committee (CPF #80537)

Dear Mr. Alconada:

This letter is in response to your request for an opinion regarding expenditures by the referenced political committees.

You have stated that the committees would like to send officers and rank and file members to government affairs/PAC related conferences organized and sponsored by the American Dental Association (ADA). The next conference is tentatively scheduled for March 2000 in Washington DC and will likely be titled the 5th Annual Public Affairs/Grassroots Conference. The conference will not be dental related in that no continuing education courses will be offered to the attendees and the sessions will not relate to the practice of dentistry.

The officers who might attend would be the chair, vice-chairs, and secretary-treasurer. The rank and file members who might attend would be those individuals who have contributed to the committees, but do not hold any office and do not sit on the Board of Directors.

Your intention in sending rank and file members is to educate them on various issues so that they will be better prepared to assume leadership positions in the future. You expect that funding will be available for two or three rank and file members to attend.

The committees would pay for transportation costs including airline tickets, hotel accommodations, meals, registration fees, and any other cost that might be associated with traveling to and from the meeting.

Questions and Answers

(1) May the committees pay for attendance by officers?

Answer: Yes, assuming the expenditure complies with the regulations discussed below.

(2) May the committees pay for attendance by rank and file members?

Answer: Yes, assuming the members who attend will be attending as “agents” of one or both of the committees and their attendance is necessary for them to carry out their duties and responsibilities as agents of the committee.

(3) Are there any non-reimbursable expenses?

Answer: The expenses described in your letter (transportation costs, hotel accommodations, meals and registration fees) would be reimbursable. As discussed below, expenditures must comply with the statutory and regulatory requirements, e.g., they must be reasonable and may not be made for any person’s personal use. Expenditures that are outside the scope of the conference, or which are personal in nature, would not be reimbursable.

Discussion

The campaign finance law states that a political action committee (PAC) or people’s committee “may receive, pay and expend money or other things of value for the enhancement of the principle, for which the committee was organized so long as such expenditure is not primarily for . . . any . . . person’s personal use . . .” See M.G.L. c. 55, § 6.

The regulations issued by this office provide further guidance regarding the expenditures that may be made by political committees for travel by committee officers to conferences. Specifically, the regulations state that expenditures may be made to pay for the “reasonable travel expenses **of the treasurer or chairperson** [of a PAC or people’s committee] if “the expenses are in connection with functions or activities where the individual’s participation is critical to political relations with constituents or contributors to the political committee [and] the primary interest in participating in the event is to enhance the political future of the committee of which he or she is treasurer or chairperson.” See 970 CMR 2.06(3)(f). Under this regulation, the described expenditures may be made for the chairperson and secretary-treasurer, but not for the vice-chairs or members, if the standard described in the regulation is otherwise complied with.

A different regulation allows expenditures for the “reasonable travel and related expenses for . . . **agents** of a political committee in connection with meetings, conferences or conventions, provided that the issues with which any such meeting, conference or convention is concerned are within the scope of that person’s direct and substantial responsibilities as [an] agent of the committee, and whose subject matter is related to . . . campaigning for votes [or] fundraising.” See 970 C.M.R. 2.05(2)(l) made applicable to PACs and people’s committees by 2.06 (3). This regulation does not indicate that committees may pay for members or contributors to attend meetings or conferences. Simply expecting

that a contributing member might someday assume a leadership role in a PAC or people's committee would not necessarily lead to the conclusion that the member is an agent of the committee. The regulation requires an agency relationship and specifies that agents being reimbursed must have responsibilities to the committee.

Because of their responsibilities and the nature of the conference, it would appear that the committees could reimburse the expenses of the vice-chairs. Because of a vice-chair's responsibilities to a committee, the vice-chair may be considered an "agent" of the committee. Similarly, the committees could reimburse the expenses of rank and file members if the members who attend will be attending as "agents" of one or both of the committees and their attendance is necessary for them to carry out their duties and responsibilities as agents of the committee. For example, a member attending the conference would be considered an agent of the committee if the member is required to provide the committees with a summary of the sessions attended for publication in a newsletter to be issued by the committees.

In response to your third question, the expenses described in your letter (transportation costs, hotel accommodations, meals and registration fees) would be reimbursable, assuming they are reasonable and not for any person's personal use. See M.G.L. c. 55, § 6 and 970 CMR 2.05(2)(l). Personal expenditures would include, for example, the additional costs associated with a chairperson who decides to stay at a hotel where the conference is taking place for a period of time after the conclusion of the conference, in order to take a vacation.

As with all expenditures, candidates and treasurers are responsible for maintaining detailed and accurate records reflecting the amount, date, and purpose of each expenditure made by the candidate and/or the committee in connection with travel, lodging, and other expenses. See M.G.L. c. 55, sections 2 and 5.¹

¹ The campaign finance law also establishes limits on contributions which may be made by committees to other committees, e.g., a PAC or people's committee may contribute no more than \$500 during any calendar year to any candidate or candidate committee. See M.G.L. c. 55, §6. Although not related to the expenditures which are the subject of your question, for reference you should note that if two committees are established, financed, maintained or controlled by the same person, committee, or organization, they are considered "affiliated." Based on the information contained in the committees' statements of organization, the PAC and people's committee referred to in this opinion would be considered affiliated because they share the same chairman, treasurer and vice-chair (and in addition have the same purpose). In calculating limits on contributions made by political committees, "all campaign contributions made by political committees established, financed, maintained or controlled by any person, including any parent committee of a subsidiary committee or any person other than a natural person, shall be considered to have been made by a single political committee." Id. Therefore, the PAC and people committee combined could contribute no more than \$500 to any one candidate during a calendar year.

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This opinion is issued within the context of the Massachusetts campaign finance law and is provided solely on the basis of representations in your letter and in your conversation with OCPF staff. Please contact us if you have further questions.

Sincerely,

A handwritten signature in cursive script, reading "Michael J. Sullivan", followed by a vertical line.

Michael J. Sullivan
Director